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A N S W E R S

TO THE

P R O T E S T S

• F

MESSRS. FLETCHER, MOFFATT,  
GREGORY, AND MANSHIP.

TOGETHER WITH

A N S W E R S

TO THE

P R O T E S T

• F

MR. NATHANIEL SMITH,

UPON

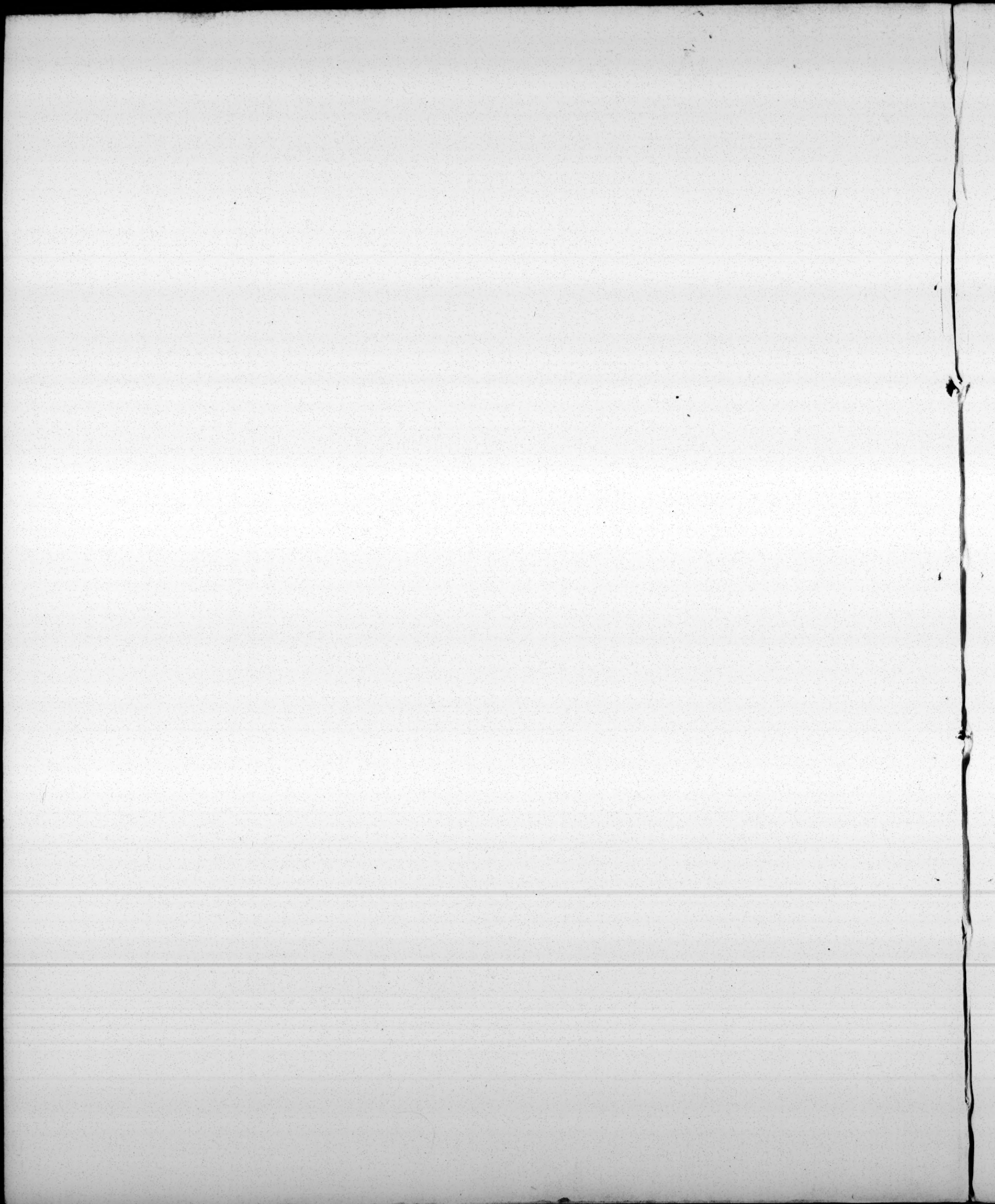
THE RESOLUTION

THAT

MR. BENFIELD

SHOULD RETURN TO HIS STATION.







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## A N S W E R S, &c.

**M**R. PAUL BENFIELD resided, fourteen years, in India, in the station of one of the Company's civil servants; and having engaged deeply in foreign trade, both of export and import, his very extensive dealings procured him a large credit and a greater money resource, than, perhaps, any other European, in that country, ever possessed. Having never been employed in any executive office, and, consequently, having no political influence in the settlement, whatever fortune he may have acquired, arose solely from his own industry and knowledge in commerce. This, however, could not protect him from misrepresentations at home; he was recalled from Fort St. George, as it was said, "that the late dissensions in Council, which "brought on the troubles at Madras, took their rise from his claims on the "Tanjore country." Mr. Benfield, soon after his arrival in England, applied to the Court of Directors for an examination of his conduct: Accordingly his case was elaborately and minutely examined by the Committee of Correspondence, and most amply reported upon; and the report was deliberately confirmed by the Court of Directors. His request to be again employed, was duly agitated and considered by the Committee of Correspondence, and resolved in the affirmative, *five to one*. The report of the Committee was again agitated, and warmly debated in the Court of Directors. These debates further enlarged the ground of examination. The Company's records were ransacked for criminating matter, and the result was, that a majority of the Court voted Mr. Benfield eligible to be again employed in the service of the Company.

A few Directors, however, have protested against the decision of the Court, and have given, in their protest, the reasons, by which they have been induced to take so strong a step. To examine this protest, is the design of this paper. To avoid all appearance of partiality, the words of the Protest are printed in



one column, and the answers, chiefly extracted from the records of the Company, are placed in the opposite column. The writer has only to observe, that though the facts stated here may appear more than sufficient to refute the allegations of the Protest, they comprehend but a small part of what may be advanced in vindication of Mr. Benfield's conduct.

## P R O T E S T.

## A N S W E R S.

*To the Honourable the  
COURT of DIRECTORS,  
for the Affairs of the  
United Company of Mer-  
chants of England, trad-  
ing to the East-Indies.*

GENTLEMEN,

*OUR duty obliges us to  
enter our dissent against  
your Resolution of the 14th  
instant, for restoring Mr.  
Paul Benfield to his rank  
in the Company's service.*

*B E C A U S E, notwith-  
standing your Resolution of  
the 2d of August last, we  
do consider, that the dis-  
sensions in Council, which  
brought on the troubles at  
Madras in 1776, took their*

The protesting Directors have not stated why they think Mr. Benfield's claims were the cause of the troubles at Madras. It is therefore presumed, that the Report of the Committee of Correspondence, who repeatedly examined this point with much labour and minute exactness, will have due weight with the Proprietors.

The



PROTEST.

A N S W E R S.

*rise from Mr. Benfield's  
claims on Tanjore.*

The Court of Directors have declared, "that the  
" records of Fort St. George afford no proof that  
" the dissensions in Council, which brought on the  
" troubles at Madras, took their rise from the claims  
" of Mr. Benfield."

Report, 26th of  
July, 1780.  
Confirmation by  
the Court of Di-  
rectors, Aug. 2,  
1780.

Lord Mansfield, in his charge to the Jury, in the  
case of the King against Stratton, and others, ob-  
serves, "Then there is another point suggested to  
" your consideration, and that is, that in taking up  
" the claims of Benfield there was a fellow-feeling,  
" that the majority must have some common inter-  
" est,---*But there is no evidence as to this point.*"

Report, *ubi su-  
pra.*

Printed Charge  
to the Jury.

In the solemn opinion of the whole Court of  
King's Bench, in giving judgment in that case, are  
the following words: "One of the reasons assigned  
" for the conduct of the defendants was, that they  
" were influenced by corruption from the Nabob,  
" or Benfield. The dispute about Benfield's claims  
" was closed two months before these acts of the  
" defendants;" *i. e.* the actual dissensions in Coun-  
cil. "On the third of June, 1776, it was resolved  
" in consultation, to reconsider those claims, on the  
" 13th, the former resolves were rescinded, on the  
" 17th, the explanatory minute was entered, and  
" here the matter rested.---*We think these circum-  
" stances ought to be laid out of the case.*"

Printed Judge-  
ment of the  
Court of King's  
Bench.

The affidavits of Messrs. Stratton, Brooke, Floyer,  
Mackay, and Mr. Benfield, are noticed by Lord  
Mansfield. His Lordship says, "Words cannot  
" convey a stronger denial; but the *evidentia rei* is  
" stronger still; for if these were their motives,  
" (*i. e.* corruption and a connection with Mr. Ben-  
" field,)

Affidavit, Feb.  
20, 1780.

Ld. Mansfield's  
Charge to the  
Jury.



## P R O T E S T.

## A N S W E R S.

“ field,) can it be supposed, that from the moment  
 “ they got the power, they would omit to take any  
 “ steps to compleat their object?”

In the papers published by the Company, it will be seen on every page, that the military authority claimed by the Governor; Lord Pigot's journey to Tanjore; the appointment of Colonel Stuart; and the suspension of two Members of the Council, were the real causes of the dissensions at Madras, and not the claims of Mr. Benfield, which were, perhaps, the only subject before the Council debated upon, and “ finally closed without the smallest symptom  
 “ of *intemperate warmth*.”

Report of Committee of Correspondence, July 26, 1780, Confirmed by the Court of Directors, Aug. 2, 1780. *Vide* Papers published by the Court of Directors, in 1777, &c. &c.

But admitting that the dissensions at Madras took their rise from Mr. Benfield's claims, it does not follow that Mr. Benfield *ought* to be punished. If his Judges disagree and quarrel, upon the subject of any claim that he brings before them, does it follow that he is to be punished, because *they* have quarrelled?

*BECAUSE, we consider it contrary to the Company's Orders, the permitting their servants to lend money to the Country Powers, and which Orders were proclaimed at Fort St. George, the 6th of November, 1769, from the standing Orders of the Company of 1714; and*

1. The opinions of Lord Loughborough, Mr. Dunning, Mr. Macdonald, and Mr. Hargrave, it is presumed, will have as much weight with the Proprietors, as those of Messrs. Fletcher, Moffatt, Gregory, and Manship, in which they all agree, that the loans of money, such as Mr. Benfield's were, at an interest of *ten per cent.* are *not* contrary to the orders of the Company. The words of those eminent lawyers are in point.

Lord Loughborough says, “ As Mr. Benfield's  
 “ loans had the sanction of the servants of the Com-  
 “ pany

Printed Opinion, April 10, 1780.



## P R O T E S T.

*we apprehend that Mr. Benfield considered the lending money to the Country Powers in the same light, by his letter dated the 3d of September, 1773, and which appears on the Fort St. George Military Proceedings of the 6th of that month, in which letter Mr. Benfield gives reasons for his not accepting his servants bills, and the Court of Directors approve of his conduct upon that occasion in the 53d paragraph of their general letter to Fort St. George, dated the 12th of April, 1775.*

## A N S W E R S.

pany abroad, and were not disapproved at home,  
 " I do not see upon what ground he could be sus-  
 " pended from the service, for asserting a claim to  
 " a specific security assigned for the payment of these  
 " loans."

Mr. Dunning says, " As between Mr. Benfield  
 " and the Nabob there can be no doubt of the jus-  
 " tice of his claim to be repaid, the money he ad-  
 " vanced at the Nabob's request, and upon his cre-  
 " dit; nothing appears in what is stated, *or in what*  
 " *I have seen elsewhere*, of the nature or effect of  
 " those claims, to warrant, in my opinion, the sus-  
 " pension of Mr. Benfield from the Company's ser-  
 " vice."

Mr. Macdonald concludes his opinion with these  
 remarkable words: " If Mr. Benfield's suspension  
 " should be confirmed, it will imply that the Court  
 " of Directors are of opinion, that assertions found-  
 " ed on conjecture, are more intitled to the credit,  
 " than the oaths, of all those who swear the re-  
 " verse."

Mr. Hargrave says: " Besides the orders here  
 " stated, the papers published by the Directors when  
 " the late revolution at Madras was taken into con-  
 " sideration, refer to an injunction against loans to  
 " the country powers, dated the 27th of October,  
 " 1714. But it seems to me, that this injunction,  
 " if not dormant before, was impliedly repealed by  
 " the orders in 1766 and 1769, which limit the rate  
 " of interest to 10 per cent. both of them mention-  
 " ing loans to the Nabob. I observe that the Go-  
 " vernor and Council of Madras, in May 1769, de-  
 " clared

Printed Opini-  
 on, March 29,  
 1780.

Printed Opini-  
 on, April 4,  
 1780.

Mr. Hargrave's  
 Opinion, March  
 19, 1780.



## P R O T E S T.

## A N S W E R S.

“ clared the order of 1714 to be unrevoked and in  
 “ full vigour. What effect this ought to have on  
 “ Mr. Benfield’s case, I cannot absolutely judge  
 “ without further information; but as it now strikes  
 “ me, the Governor and Council were not warranted  
 “ to make any such declaration.”

2. It is true the Order of the Company, in the year 1714, prohibits loans to Country Powers; but that order is not in existence. It is repealed, not only by *non user*, for more than half a century, but by the regulations in the year 1766, which prohibit all loans to the Nabob, at a larger interest than *ten* per cent. That every Proprietor may judge for himself, the following Extracts from the Company’s Orders are inserted:

Rous’s Appen.  
No. XXX.

*Extract from the Court of Directors Letter, 17th  
 May, 1766.*

“ HAVING reason to believe that many of our  
 “ servants have received presents or gratuities, from  
 “ the Nabob, his Ministers, or others, in a collusive  
 “ manner, by way of exorbitant interest, or monies  
 “ lent, or said to be lent by them, to our servants;  
 “ in order therefore to put a stop to such extortions  
 “ and exactions, (for in that light we see them) we  
 “ hereby order and direct, that in future, if any of  
 “ our servants, directly or indirectly, demand, ac-  
 “ cept, or receive from any person or persons what-  
 “ soever, for the loan of any sum or sums of money,  
 “ real or nominal, under the precedency of Fort  
 “ St. George, or in any other part or province in  
 “ India, (excepting only such monies as he or they  
 “ may



PROTEST,

ANSWERS.

“ may, from time to time, lend on respondentia)  
 “ any kind of premium, gratuity, or advantage  
 “ whatsoever, over and above ten per cent. per an-  
 “ num interest; such servant upon being convicted  
 “ thereof, let his rank or station be what it may,  
 “ is to be forthwith suspended and sent to Eng-  
 “ land.”

*Madras Resolutions in Consequence of this Order, 1766.*

“ It is therefore agreed that the Company’s ser-  
 “ vants in general be made acquainted with the 33d  
 “ paragraph of the Company’s Letter, and that af-  
 “ ter the 31st instant, no interest higher than ten  
 “ per cent. be received.”

*Extract of a Letter from the Court of Directors, 17th  
 March, 1769.*

“ The Directors order the sanction of the Court’s  
 “ authority to be given to measures to be taken for  
 “ the discharge of the Nabob’s debt, due to indi-  
 “ viduals.

“ We do not mean to condemn those who have  
 “ lent their money to the Nabob.

*Extract of Instructions to the superintending Commis-  
 sioners, 15th September, 1769.*

“ We fear great mischief has arisen from loans  
 “ of money furnished by the Company’s servants to

B

“ to



## P R O T E S T.

## A N S W E R S.

“ to the Nabob of Arcot. If the necessities of this  
 “ ally, or of any other require aids of this kind, it  
 “ is disgraceful in the Company’s servants to take  
 “ undue advantages of these circumstances; and we  
 “ desire you particularly to investigate the source,  
 “ progress, and extent of those debts and demands,  
 “ and for the future to prevent all abuses and injus-  
 “ tice in transactions of this sort.”

INSTRUCTIONS *to the Superintending Commissioners,*  
 15th September, 1769.

“ By the 31st paragraph of our general instructi-  
 “ ons, we directed you to investigate the source,  
 “ progress, and extent of Mahomed Ally’s debt to  
 “ private persons, to examine if improper advantages  
 “ had been taken of the Nabob’s necessities, and to  
 “ prevent, as far as possible, all abuses in transacti-  
 “ ons of this nature.”

*Extract of a Letter from the Court of Directors, to the  
 President and Council of FORT ST. GEORGE, dated  
 the 25th of March, 1772.*

“ And if it shall appear to you that any persons  
 “ have presumed to disregard our orders of May,  
 “ 1766, you are, as in the case of Messrs. Smith  
 “ and Monckton, to require them to refund all such  
 “ sums as they have received for interest, contrary  
 “ to our express prohibition.

“ But we intend not hereby to weaken the force  
 “ of our orders of May 1766, or those of April



## P R O T E S T.

## A N S W E R S.

“ 1771, respecting interest of money; we do hereby  
 “ confirm them, and peremptorily require, that you  
 “ do not delay the execution of those orders, when-  
 “ ever any of our servants, or others, under our  
 “ protection, appear to have acted in opposition  
 “ thereto.”

*Extracts from the Company's general Letter, March,*  
*1772.*

From these Extracts we learn,

1. That the Order in the year 1714 is virtually  
 revoked by that of the year 1766.

2. That the Order in the year 1766 has been con-  
 sidered as the only rule respecting the lending mo-  
 ney, except the order in 1771, which relates to mi-  
 litary officers only.

3. That in 1772, those Orders of 1766 are de-  
 clared to be in full force.---These Extracts further  
 prove, that the lending money at an interest of ten  
 per cent. was allowed of by the Company; and all  
 the Company intended was, not to put a stop to *such*  
*transactions*, but only to remedy *abuses and extortions*  
*in those transactions*. Mr. Benfield never has receiv-  
 ed above ten per cent. for any money lent by him to  
 the Nabob; his loans are therefore consistent both  
 with the letter and spirit of the Company's orders.

The Proclamation issued by the Governor and  
 Council of Fort St. George, in 1769, is *not* an order  
 of the Company; on the contrary, in the year 1772,



## P R O T E S T.

## A N S W E R S.

the Order of 1766, which is absolutely inconsistent with it, is declared to be the governing rule with regard to loans of money.

The Proclamation assumes, as its foundation, the existence of the Order of the year 1714, which it is proved does not exist. If the foundation be false, the superstructure must fall to the ground. The history of it is this: It was intended and issued for no other purpose than to serve as a threat to intimidate the private creditors of the Nabob into certain terms which were proposed to them by the Company: when it had answered its purpose, it was laid aside and forgotten, and never understood either by the Company, or their servants, to be an existing Order.

As to Mr. Benfield's letter, which is supposed to imply an acknowledgment of the illegality of his own loans, the fact is totally misrepresented. The person who drew the Bill, was not a servant of Mr. Benfield's, but one Kishnaje Pundy, an inhabitant of Tanjore, with whom Mr. Benfield never had but a few very trivial mercantile concerns, and whom he had never seen but once in his life. When Mr. B. came to the knowledge of the transaction, he refused to have any thing to do with it. He did not think it his business to interfere in political operations, or to stop the progress of the Company's arms, then actually employed in the siege of Tanjore, by advancing money to the Raja. It was not his business to judge of the Tanjore war. And it was surely not his business to throw any delay in the way of an expedition already commenced, by making loans to the Raja. In this he acted like a dutiful servant. The letter itself does not say one word concerning  
the



## P R O T E S T .

## A N S W E R S .

the legality, or the illegality of loans; nor is there a word in it from which Mr. Benfield's opinion upon that subject can be inferred, either one way or the other: and (to use Governor Johnstone's expression) what must be the perversion of mens minds, who can thus torture an expression of duty in the end of a letter, to imply a crimination of his own acts? Vide the Letter itself, Rous App. 1204.

*BECAUSE, We do not conceive that the Restraining Act of the 13th of his present Majesty, in any degree interferes with the Orders of the Company for restraining their servants from lending money to the Country Powers in India.*

Having proved already that the Orders supposed by these four Gentlemen to exist, in fact do not exist, it is immaterial to enquire what would have been the operation of the act of the 13th George III. upon them, supposing them to have existed.

In order, however, to satisfy the Proprietors, that the Protest is equally ill-founded, when it mentions acts of Parliament, as when it proceeds upon the Orders of the Company, we will state what the act of Parliament really contains, and what construction has been put upon it by the Court of Directors. Sect. 30th enacts,

“ That no subject of his Majesty, his heirs and  
 “ successors in the *East-Indies*, shall, upon any con-  
 “ tract which shall be made from and after the first  
 “ day of August 1774, take directly, or indirectly,  
 “ for the loan of any monies, wares, merchandizes,  
 “ or other commodities whatsoever, above the value  
 “ of 12 pounds for the forbearance for one year.”

*Extract from the Company's general Letter to FORT ST. GEORGE, dated the 4th of July, 1777.*

“ In addition to our Orders respecting money  
 “ transactions, we direct that you forthwith cause so  
 “ much



PROTEST.

ANSWERS.

“ much of the late act of Parliament of the 13th  
 “ of George the Third, as relates to loans of money  
 “ to be translated into the country language, and  
 “ published at Fort St. George, and at every subor-  
 “ dinate factory and place to which the authority  
 “ and *influence* of the Company extends, if it has  
 “ not been already done, and that you take care, so  
 “ far as in you lies, that the letter and spirit of the  
 “ regulations therein contained be strictly observed  
 “ by every British subject upon the coast of Coro-  
 “ mandel. And as the above-mentioned act of  
 “ Parliament permits the 12 per cent. as interest for  
 “ money, we hereby revoke so much of our Orders  
 “ of the 17th of May, 1766, as restrains our serv-  
 “ ants from accepting or receiving an higher interest  
 “ than 10 per cent.”

*Extract of a Draft of a Letter from Lord Pigot to  
 the RAJA of TANJORE.*

“ I enclose you a copy of the act of Parliament,  
 “ and particularly refer you to the paragraph,  
 “ marked \*, by which you will see what are con-  
 “ sidered as just claims.”

Tanjore Papers,  
 Vol. II, P. 358.

After this, shall any man tell the Proprietors, that  
 the Orders of May, 1766, are *not* the governing  
 rule, with respect to the lending of money in India,  
 or that the act of the 13th of George the Third has  
 no interference with the Company's Orders, respect-  
 ing the lending of money?

BECAUSE, *We consider*  
*the restoring Mr. Paul*

If, as has been proved already, Mr. Benfield has  
 done nothing contrary to the Company's Orders, it  
 is



## P R O T E S T.

*Benfield to his rank in the Company's service, will be encouraging your servants to lend money to the Country Powers, and which, in our opinion, will be attended with many bad consequences to our affairs in that country.*

*We have the honour to be,  
with great respect,*

*Gentlemen,*

*Your most obedient, and  
most humble servants,*

HENRY FLETCHER,

JAMES MOFFATT,

ROBERT GREGORY,

J. MANSHIP.

LONDON,

*The 18th Dec. 1780.*

## A N S W E R S.

is not easy to conceive by what species of logick the restoring him to his Rank, in the service, can be any injury to the Company. The loans, which have been reprobated by the Company, were such as those made by Messrs. Smith, Monckton, &c. said to bear an usurious interest of 54 per cent. and likewise loans in which many *abuses* and *extortions* were committed, and *undue advantages* taken of the *Nabob's necessities*. This appears from the following extract, from Rous's Appendix, No. 30, page 248. "There  
" were great delays in the receiving the revenues of  
" the Company's Jaghire; I enquired the reason of  
" it, when I found Messrs. Smith and Monckton,  
" &c. had lent money to the Amuldars thereof at a  
" heavy interest, had taken bonds also from the in-  
" habitants, and after two or three months had ex-  
" pired, added interest, premium, &c. to the prin-  
" cipal, and taken fresh bonds for the same; by  
" which calculation of interest upon interest, &c. it  
" turns out, annually, to more than 54 per cent.  
" a great part of the revenues of the Company's  
" Jaghire go therein."---The Company never meant to reprobate loans made under the sanction of their own Orders, at the allowed interest of 10 per cent. for beneficial public purposes. For the purpose of paying the Dutch, and for preventing a war in the Carnatic, for paying the prize-money to the troops, for paying the Fort expences, and for advancing the cultivation of the country.

The Proprietors are now in possession of the Protest, with such answers as will enable them to form a judgment of the force of the allegations contained in it, such as will, at least, induce them to suspend their judgment till Mr. Benfield's case is more fully  
laid



## P R O T E S T.

## A N S W E R S.

laid before them. The whole of Mr. Benfield's loans was a *necessary* continuation of his first loans, which had been made, *bona fide*, publickly and openly, with the sanction and approbation of the Government of Madras.

Mr. Benfield never was in any situation of power, or authority, in the Company's service: He trusts that the Proprietors will not refuse reinstating one who is innocent,---when the Company inflicted no higher punishment on *Messrs. Smith and Monckton*, charged with receiving 54 per cent. than ordering them to refund all that they had received above 10 per cent.

To the justice of the Proprietors he submits himself, and their protection he solicits, against the violent attack made upon him; fully satisfied, that the more his conduct is enquired into, the more clearly it will appear, that his loans were of advantage to the Company and their ally, and that, in point of interest, he has strictly adhered to the rules of the Company. He stands free from all those crimes of speculation and oppression, which are usually laid to the charge of those who return from the East. He has never possessed the means of speculation, or the power of oppression; his course in the East is not mark'd with victory and desolation; he has followed the more humble, though not less useful line of extensive commerce; and the credit he thus acquired was once the happy instrument of preventing war. In short, he hopes that the Proprietors will not condemn a servant, who is conscious of an uniform fairness in all his transactions, through prejudice arising from misrepresentation.



## ADDITIONAL PROTEST.

## A N S W E R S.

To the Honourable the  
COURT of DIRECTORS.

East-India-House, 20th  
Dec. 1780.

GENTLEMEN,

*IT appears, that on the 6th of June, 1777, the Court resolved Mr. Benfield should be recalled, that his conduct might be enquired into: and it also appears, that on the 11th of June, 1777, the Court ordered, that the Rajah of Tanjore be requested to give explanatory answers to certain questions stated to him for the better information of the Court, concerning Mr. Benfield's transactions in the Tanjore country.*

*I likewise find upon the Records of the Company, that the orders sent to Fort St. George on the 17th of May, 1766, and on the 17th of March, 1769, place all*

IT is singular that men should object to the restoration of Mr. Benfield upon grounds so totally inconsistent with one another, as the grounds of Mr. Smith's Protest are to those of the one we have already taken notice of.

Messrs. Gregory, Moffatt, Fletcher, and Manhip, tell the Proprietors that the Orders of the Company of 1714, prohibiting all loans to Country Powers are in full force. Mr. Smith, however, sees the absurdity of such a supposition, and contends that the Orders of 1766 are the governing rule with respect to lending money and regulating of interest. But Mr. Smith has surely not attended to the Orders in 1769 with the same accuracy with which he has attended to the Orders of 1766 relating to loans, otherwise he never could have supposed that the clause in those Orders, which requires a renunciation on the part of the creditors, of all authority given by the Nabob for collecting revenues for the payment of debts due to individuals, has any thing to do with the claims of Mr. Benfield.

Those Orders were issued merely for a temporary purpose on a temporary exigency; several Members of the Council having the authority of government in their hands, had acquired a security from the Nabob, by virtue of which they claimed, that their private debts should have a priority in payment over the debts due to the Company. The Directors would not permit so flagrant a breach of trust, as that their Governor and Council should make use of the very power they were vested with, in order to benefit themselves at the expence of the Company. They therefore insisted that this security should be

C

given

Vide Rous's  
Appen. No.  
XXX. P. 17.



## P R O T E S T.

*loans made by the servants of the Company to the Nabob, his Ministers, or others, under certain restrictions, both with respect to interest and recovery; limiting interest to 10 per cent. and requiring a renunciation on the part of the creditors, of all authority given by the Nabob for the collecting revenues for the payment of debts to individuals, and to take an account of the rise, progress, and extent of the debts at that time subsisting, and to see they were not charged with more than 10 per cent. interest.*

*It is from these several orders and resolutions that I find myself under the necessity of recording my dissent to Mr. Benfield's restoration.*

*First, BECAUSE although it appears from the Records of the Company,*

## A N S W E R S.

given up for the benefit of the Company. Not a syllable in those Orders can imply a prohibition of all securities to be in future granted to the Nabob. The only part of the Orders of the 17th of March, 1769, which can be supposed to relate to Mr. Benfield's claims, and which is a regulation to take effect in future, is the Order,

“ To examine the debts separately, and see that they are charged with no higher an interest than 10 per cent. from the day of the receipt of our Orders in May, 1766.”

Letter 17th  
March, 1769.  
Rous's Appen-  
No. XXX. P.  
18. Ibid.

And another paragraph, where it is ordered, “ that the sanction of the Company's authority be given to the measures to be taken for the recovery of the debts due to individuals.”

How then can Mr. Smith infer from those Orders that he is put under the necessity of recording his dissent? Mr. Benfield has not made use of the Company's authority to gain an advantage to himself. He claims no priority in payment to the Company; he has no interference with the Company; the Orders of 1766 and 1769, therefore protect the claims of Mr. Benfield; and yet those are the very Orders which oblige Mr. Smith to dissent.

Mr. Benfield did not lend money to the inhabitants of Tanjore. Mr. Benfield advanced money to Ameer-ul-Omrah, as Naib, or Manager of Tanjore, and



## P R O T E S T.

*that between the latter end of 1773, and the beginning of 1775, Mr. Benfield was embarked in very considerable money transactions with the Nabob of Arcot, or his son, Amdeer-ul-Omrah, or the inhabitants of Tanjore, to the amount of 12 lacks of pagodas, or near 500,000l. yet to my apprehension, no proper steps have been taken to see that those loans had been conducted conformable to the Orders of 1766.*

*Secondly, BECAUSE it seems to me that sufficient enquiry has not been made into the conduct of Mr. Benfield as a servant of the Company, in taking upon him to collect the revenues of a country or district under the Nabob's authority, for the*

## A N S W E R S.

and representative of his father the Nabob, who lent it to the inhabitants for the purpose of cultivation. Mr. Benfield took the Naib's bonds, who remained his debtor. The Naib assigned to Mr. B. the bonds of individuals, by way of collateral security *only*. But according to Mr. Smith's *apprehensions*, proper steps have not been taken to see if those loans are conformable to the Orders of 1766. It is difficult to say what Mr. Smith's *apprehensions of proper steps* may be; for the neglect of which, he thus charges the Directors. The Directors have had before them all the papers whatever relating to loans; all the Proceedings of the Council of Madras upon the subject of Mr. Benfield's loans; and also the Report of the Committee of Correspondence upon the subject. Those various papers contain the sums lent by Mr. Benfield; the occasions upon which they were advanced; the securities granted by the Nabob; the sums received from those securities, and Mr. Benfield has declared the interest he was to receive, was only 10 per cent. It is not easy to conceive what further information can possibly be given upon the subject.

There is a great deal of propriety in the language made use of by Mr. Smith in this second Reason of his dissent. He says, that Mr. Benfield's conduct is in *appearance* contrary to the spirit of the Orders of 1769. Mr. Smith knows, that in truth, and in fact, Mr. B.'s conduct is not contrary to the spirit of those Orders. The Orders, 1769, condemn the Governor and Council for having preferred their private interest to their public duty, and oblige them to give up a security they had obtained by this breach of trust. Mr. Smith sees that the spirit of



## P R O T E S T.

*payment of individuals; a measure to all appearance contrary to the spirit of the Orders of 1769.*

*Thirdly, BECAUSE there does not appear to me that sufficient consideration has been paid to the Rajah of Tanjore's replies to the questions put to him by an Order of Court, in the year 1777.*

## A N S W E R S.

those Orders, if it can apply at all to the case of Mr. Benfield, can do it *in appearance only*; and most men would have thought, that even in *appearance*, those Orders did not apply to his case.

It is difficult to say what consideration the Court of Directors paid to the Raja of Tanjore's letter; but if they paid any degree of consideration to it at all, it was a great deal more than such a letter deserved. In one part of the letter from the Court of Directors to the Raja, he is desired "To state all the circumstances of the transaction relating to Mr. Benfield's Tunkaws, or securities, that we may be enabled to judge whether they are contrary to the Orders of the Company." To this he returns the following answer: "The Raja conceives the transaction in itself to be contrary to the Orders of the Company; and adds, that the Company's Orders have been broke through in many instances. But this question is so general, that he can only give a general answer." Can any one find fault with a Court of Directors for not paying attention to a letter of this sort? The Court of Directors demand a state of facts. The Raja never pretends to advance a single fact, (probably because he, or those about him, knew that the facts to be produced must have been favourable to Mr. Benfield,) he proceeds to deliver his opinion upon the Orders of the Company, and to tell the Directors of the East-India Company what their own Orders are. Is it possible to bestow any consideration on such a letter? Or is Mr. Smith serious, when he gives it as a reason why he dissents from the decision of the Court of Directors in favour of

Vide letter from the Court of Directors to the Rajah, 11th of June, 1777.



## P R O T E S T.

## A N S W E R S.

of Mr. Benfield, that the Court of Directors have not paid sufficient attention to the letters of the Raja of Tanjore; who, from his situation, could not possibly know any thing about the matter?

*Fourthly, and lastly, BECAUSE, after it had been resolved on the 6th instant, that the Report of the Committee of Correspondence of the 28th of November last, relating to Mr. Paul Benfield being permitted to return to his station at Fort St. George, be postponed, until he lays before this Court the nature and amount of his demands on the Nabob of Arcot and other Country Powers; how such demands arose, and what interest he is to receive on the same; Nevertheless, the Court did, on the 14th instant, proceed to reinstate Mr. Benfield before any regular account, conformable to the Resolution of the 6th of this month, had been laid before the Court.*

*(Signed)*

NATHANIEL SMITH.

The only answer that can be given to this, is a denial of the fact. When the Court of Directors applied to Mr. Benfield in consequence of their Order of the 6th instant, Mr. Benfield transmitted them an account of his claims, and how his demands arose, and informed them what was the interest he was to receive.

Upon the whole, it is requested that the Proprietors will observe, that there is not one single instance, upon the proceedings of the Presidency of Fort St. George, wherein Mr. Benfield is accused of any unfair dealings, in his loans, during all the discussions concerning those loans. That so far from being guilty of such practices, as his enemies suggest, there is not the least proof on the Records of the Company, until a letter, written by Mr. Dalrymple from Alexandria, on the 19th of January, 1777, made its appearance, in which letter he relates, upon mere *hearsay*, a story relative to Mr. Benfield, which, in every circumstance of it, is FALSE.

Vide Mr. Benfield's letter to the Court of Directors, of the 13th of Dec. 1780.







